

August 25, 2014

Councilmember Curren Price
200 N. Spring Street, Room 420
Los Angeles, CA 90012

Councilmember Jose Huizar
200 N. Spring Street, Room 465
Los Angeles, CA 90012

Re: Ordinance to create a citywide permit system for sidewalk vending in Los Angeles.

Honorable Councilmembers:

On behalf of over 50 organizations who make up the Los Angeles Street Vendor Campaign, we are enclosing a proposed ordinance that would create a citywide permit system for street vendors in Los Angeles.

The lack of employment opportunities available in Los Angeles has pushed many residents to the fringes of the economy as sidewalk food and merchandise vendors. On a daily basis, hardworking entrepreneurs venture out to earn a modest livelihood for their families, knowing they run the risk of being harassed, ticketed and having all of their goods and equipment confiscated. This vulnerable population has thus become the focus of our campaign.

The Los Angeles Street Vending Campaign (LASVC), established in 2011, recognizes that the city's poorest communities need improved entrepreneurship opportunities as well as increased access to affordable, healthy food. Many low-income neighborhoods have limited healthy food options due to the absence of mainstream grocery stores and the prominence of small convenience stores that often sell poor quality food at high costs. In addition, jobs are scarce in many neighborhoods and street vendors commonly enter the street vending business as the only means to support their family and community. It is the belief of the LASVC and its supporters that the absence of a permit system for street vending is a missed opportunity for Los Angeles. A comprehensive, citywide permit system will create jobs, increase healthy food access in communities with limited food options, and allow for significant contributions to the local economy.

For 3 years, our campaign has advocated for an ordinance that will: (1) create a city-wide permit system for food and merchandise vendors on sidewalks; (2) incentivize vendors to sell healthy food; and (3) encourage safe, vibrant streets, through the legalization of sidewalk vending. The attached ordinance reflects these priorities and we believe it provides the most feasible and thoughtful approach to achieving a sidewalk vending system in Los Angeles.

The attached ordinance acknowledges the needs of vendors, small business owners, and residents. It incorporates nearly 3 years of data gathering, research, focus groups, town hall meetings and fruitful dialogue with stakeholders. Throughout the drafting process, hundreds of street vendors, small business owners, and residents provided valuable feedback and helped craft language that is responsive to community priorities. The ordinance is also informed by the careful study of previous attempts to legalize street vending in Los Angeles as well as the systems adopted in other cities. The permit and fee structure, for example, is something that is economically feasible for vendors - minimizing the risk of large numbers of participants continuing to operate outside the formal economy when a policy is adopted. This ordinance pulled the most effective tools to craft a policy that is world class and unique to Los Angeles' residents and culture.

We respectfully request that you review this draft, acknowledging that it has been fully vetted by various sectors of the community, and most importantly by street vendors. Together, we can make Los Angeles the best street vending city in the world.

Sincerely,

Maria Cabildo, ELACC, LASVC Steering Committee
Rudy Espinoza, LURN, LASVC Steering Committee
Clare Fox, LA Food Policy Council, LASVC Steering Committee
Doug Smith, Public Counsel, LASVC Steering Committee
Angelica Salas, CHIRLA, LASVC Steering Committee
Channa Grace, WORKS, LASVC Steering Committee
Mark Vallianatos, UEPI, LASVC Steering Committee
Greg Kettles, LASVC Steering Committee
Erin Glenn, LASVC Steering Committee
David Huerta, SEIU-USWW, LASVC Steering Committee

Encl: Proposed Ordinance
c.c. Councilmember Gilbert A. Cedillo
Councilmember Paul Krekorian
Councilmember Nury Martinez

ORDINANCE NO. _____

An Ordinance adding Section 42.00.2 of the Los Angeles Municipal Code to regulate vending on City Sidewalks and Parkways.

WHEREAS, the city of Los Angeles is home to more than 3.5 million residents, and safe, accessible and vibrant streets make the City a very desirable place to live and visit; and

WHEREAS, governmental regulation of the public right of way is a legitimate exercise of the City's police power, granted through the City's Charter and Municipal Code; and

WHEREAS, experts estimate there are approximately 10,000 non-vehicle mobile vendors in the City, who are currently not permitted to sell on sidewalks and whose contributions through their participation in the informal economy are not being recognized; and

WHEREAS, jobs are scarce in many of the city's underserved neighborhoods and many low-income entrepreneurs have turned to vending in order to support their families; and

WHEREAS, regulated vending on City Sidewalks and Parkways can create jobs, support small business creation and enhance economic mobility for low-income entrepreneurs and their families; and

WHEREAS, the City recognizes the importance of entrepreneurship to the local economy and vibrancy of the community; and

WHEREAS, regulated vending on City Sidewalks and Parkways will provide entrepreneurs with a pathway to small business ownership; and

? **WHEREAS**, vendors in LA County generate over \$100 million in annual sales of food and merchandise; and

? **WHEREAS**, vendors selling food in LA County stimulate \$67 million in local economic activity; and

? **WHEREAS**, for every dollar earned by street vendors in LA County, \$1.60 of economic impact is realized in the local economy; and

WHEREAS, many of the City's poorest communities have limited access to affordable, healthy food. This is due to the absence of mainstream grocery stores and the prominence of fast food and small convenience stores that often sell poor quality food at high costs; and

WHEREAS, the proliferation of unhealthy food and the absence of healthy food options available in low-income neighborhoods contributes to adverse health consequences and quality of life impacts on local residents, such as widely divergent rates of childhood and adult obesity and diabetes and up to a 12 year life expectancy gap between residents of more and less affluent neighborhoods.

WHEREAS, every community has the right to nutritious, affordable, culturally-relevant and locally produced food as a means to addressing health disparities and generating equitable community economic development, employment and quality of life opportunities; and

WHEREAS, in low-income communities of color, accessing healthy food options is often significantly more difficult than in more affluent white communities; and

WHEREAS, disparities in access to healthy food options are rooted in a long history of segregation and disinvestment; and

WHEREAS, many organizations, advocates and policy makers have dedicated significant resources and expertise to addressing disparities in healthy food access and enhancing food justice in our communities; and

WHEREAS, mobile food vendors can play a role in bringing healthy, affordable food to underserved communities, and incentives in this section can enhance the availability of healthy food options where it is needed most; and

↪ **WHEREAS**, regulated vending on City Sidewalks and Parkways can enliven streets by increasing security, walkability and social activity; and

1x **WHEREAS**, past efforts to create specific, geographically-limited Special Sidewalk Vending Districts in the City have failed; and

↪ **WHEREAS**, the city wishes to create uniform rules regarding vending on the public right of way and establish a permit system for vendors that is citywide in scope and allows vendors the flexibility to choose where and what to sell, subject to the California Health and Safety Code and other relevant laws and regulations; and

↪ **WHEREAS**, vendors often face harassment by law enforcement and business owners and have reported possible violations of human and civil rights; and

↪ **WHEREAS**, the City wishes to decriminalize vending and provide for humane and progressive penalties for violations of this section; and

WHEREAS, the city wishes to ensure that, if a court of competent jurisdiction declares any portion of this ordinance to be unlawful, the remaining portions remain valid.

NOW THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Section 42.00.2 is added to the Los Angeles Municipal Code as follows:

SEC. 42.00.2. STREET – SIDEWALK- MOBILE VENDING

(1) Definitions as used in this section.

“Board” shall mean the Los Angeles Board of Public Works.

“Bureau” shall mean the Los Angeles Bureau of Street Services.

“City” shall mean the city of Los Angeles.

“Code” shall mean the Los Angeles Municipal Code.

“Department” shall mean the Department of Public Works.

“Division” shall mean the Investigation and Enforcement division of the Bureau.

“Food” shall mean any type of edible substance or beverage.

“Food Cart” including **“Healthy Food Carts,”** shall mean any wheeled vehicle, pushcart or other device used by a food vendor, other than a motor vehicle, which may be moved without the assistance of a motor and which does not require registration by the department of motor vehicles.

“Goods or Merchandise” shall mean any items that are not Food.

“Healthy Food” shall include, but not be limited to, the following:

- (i) Raw fruits and vegetables
- (ii) Low fat or nonfat milk products
- (iii) Nondairy milk
- (iv) Drinking water
- (v) 100% fruit juice — ?
- (vi) Uncooked beans
- (vii) Uncooked whole grain rice
- (viii) Unsalted nuts and seeds
- (ix) Commercially packaged foods that meet at least one of the following criteria:
 - 1. A whole-grain rich product
 - 2. Any food item that has as the first ingredient a fruit, vegetable, dairy product or protein food
 - 3. Combination food that contains at least one cup of fruit and/or vegetable

“Healthy Food Cart” shall mean a Food Cart permitted to sell only Healthy Food, as defined above. Healthy Food Carts are prohibited from vending commercially packaged sugar-sweetened beverages.

“Healthy Food Corners” shall mean those intersections, designated in Subpart (d) of Subsection (7) of this Section, located in areas of the City that lack sufficient access to healthy food options, where vending is reserved exclusively for Healthy Food Vendors.

“Mobile” shall mean that any vending operation shall be entirely self-contained within a Food Cart, Healthy Food Cart, stand or other fixture or device used for display and capable of moving from one location to another without undue delay.

“Public right-of-way” shall mean any public street, sidewalk, parkway, plaza, alley or other locations owned or otherwise controlled by the City for the benefit of the general public.

“Sidewalk” shall mean any surface in the public right-of-way provided for the exclusive use of pedestrians.

“Stand” shall mean any nonpermanent table, bench, booth, rack, handcart, or any other fixture or device used for the display, sale, storage or transportation of food or merchandise offered for sale by a Vendor.

“Vend or Vending” shall mean to sell or offer for sale food, goods, wares, or merchandise not otherwise prohibited by this section from a Food Cart, Stand, or from one’s person on the public right-of-way.


“Vendor” shall mean a person who vends, including the employers, employees, and agents of a Vendor.

“Vending Operation” shall mean a Food Cart, Stand, pushcart, vehicle or any other structure or method that will constitute the means by which a Vendor will display and offer for sale any goods, wares, merchandise, beverages or food of any kind on the public right-of-way. Each individual Food Cart, Stand, pushcart or display shall be considered a separate Vending Operation.


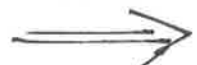
“Vending Permit” shall mean a permit issued by the Board, pursuant to Subsection (3) of this Section 42.00.2.

(2) Purpose and Criteria:

- (a) The City wishes to encourage economic opportunities for vendors and increase access to healthy foods, while at the same time protecting the health and safety of consumers.
- (b) The purpose of this section is to promote the public health, safety and general welfare of the citizens and visitors to the City through the regulation of Vending on public rights-of-way so as to:
 - (i) Provide for pedestrian and driver safety and convenience;
 - (ii) Create quality jobs and small enterprise opportunities;
 - (iii) Improve environmental sustainability in the region;
 - (iv) Increase access to healthy foods in underserved communities by encouraging Healthy Food Carts;

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- (v) Promote the City's commitment to the Good Food for All Agenda by promoting efficient and cost effective distribution of sustainably produced healthy foods;
 - (vi) Prevent unreasonable interference with the flow of pedestrian or vehicular traffic, including, but not limited to, ingress into and egress from any residence or place of business, or from the street to the sidewalk, or from the sidewalk to the street by persons exiting or entering parked or standing vehicles;
 - (vii) Provide for the safety of the general public and property during emergency conditions; and
 - (viii) Reduce unnecessary exposure of the public to personal injury or property damage.
- (c) Notwithstanding any provisions in the Code to the contrary, this section expressly permits vending on the public right-of-way in the City. Where the provisions of this section are more restrictive than applicable provisions of State Law, this section shall apply. If any of the provisions contained in this section are less restrictive or contradictory to applicable provisions of State Law, then State Law shall prevail.

(3) Vending Permits

- (a) No person shall vend any food, product, or merchandise from any public right-of-way without first applying for and receiving a Vending Permit from the Board.
-  (b) A unique Vending Permit shall be required for each Vending Operation. Any individual, partnership, corporation, limited liability company or other association or entity may not obtain more than three [3] Vending Permits, or serve as the principal responsible for more than three [3] Vending Operations at any one time.
-  (c) A Vending Permit shall be issued only to the owner of the Vending Operation and may not be sold, transferred, conveyed, or otherwise assigned to any other person or entity without the express written consent of the Board.
- (d) Classes of Permits. The Board shall issue the following classes of Vending Permits:
 - (i) Class A Permits. A Class A Permit shall authorize the vending of food from a Food Cart or Stand, including a Healthy Food Cart, provided that the Vendor has obtained approval from the County Department of Public Health to engage in the vending of the item in the manner proposed, and holds any additional food vending licenses and permits required under state law, including a Public Health Permit from the County Department of Public Health.
 - (ii) Class B Permits. A Class B Permit shall authorize the vending of non-food merchandise from a Stand or other display, subject to the restrictions or prohibitions of this section and any other applicable law.
 - (iii) Class C Permits. A Class C Permit shall authorize a Vendor to vend food or non-food merchandise from their person, without the use of a Food Cart, Stand, pushcart or other display, provided that the Vendor only

vends what they can carry on their person and vends by foot. If an applicant seeks a Class C permit to sell Food, the applicant must provide proof of approval from the County Department of Department of Public Health to engage in the vending of the item in the manner proposed. Authorization to vend non-food merchandise shall be subject to the restrictions or prohibitions of this section and any other applicable law.

- (e) For each of the above classifications, the Board may issue temporary permits, valid for a pre-determined three-month period of time, upon the furnishing of information and an application in such form and detail as the Board may prescribe, and the payment of a pro-rated fee.
- (f) Vending Permit Application. Vending Permit Applications shall be in writing on forms provided by the Board, and be accompanied by payment of the permit fee. In addition to any other information the Board shall require, a Vending Permit Application shall include the following information:
 - (i) The Class(es) of Vending Permit(s) being sought.
 - (ii) The name, address, and telephone number of the applicant who is the owner and/or principal responsible for the Vending Operation.
 - (iii) The name, address, and telephone number of the responsible person whom the City may contact or notify at any time concerning the applicant's Vending Operation.
 - (iv) Whether the applicant is an individual, partnership, corporation, limited liability company or other legal entity and if such applicant is a partnership, limited liability company or other association, the name and address of each partner, member, officer or manager of such entity; if a corporation, the designated individual for service of process.
 - (v) Two passport size photos of the applicant, or person responsible for the Vending Operation, if other than the applicant.
 - (vi) For Class A Vending Permits, a statement of whether the applicant seeks to be licensed as a vendor of "Healthy Foods" as described in this section.
 - (vii) For Class A and Class B Vending Permits, the number of Food Carts and/or Stands owned, operated, leased, controlled or contracted by the applicant to be used in the City.
 - (viii) If any Food item is proposed to be sold, applicant shall provide a copy of a valid Public Health Permit from the County Department of Public Health and proof of commissary usage in accordance with the California Food Retail Code.
 - (ix) Proof that the applicant has obtained all other City, County and State required licenses and permits, including a Business Tax registration Certificate from the Office of Finance.
 - (x) Proof that the applicant has obtained a policy of general liability insurance, pursuant to subsection (4) of this Section.
 - (xi) Valid identification, which requirement shall be satisfied by a Vendor providing any one of the following: a valid driver's license; a state or federal government-issued identification card; a current U.S. passport; a

current foreign passport; an expired passport with an issue date of 2005 or later that meets International Civil Aviation Organization (ICAO) standards; any valid consular identification document honored by the City, County or State; or any other form of identification approved pursuant to Section 16.08 of Chapter 1, Division 1, Article 2.0 of Title 13, California Code of Regulations.

- (xii) No City officer or employee shall inquire about an applicant's immigration or citizenship status as part of an application made pursuant to this section. Information about an applicant's immigration or citizenship status shall not affect the consideration of the application for a license under this section or renewal thereof.
- (xiii) Upon approval of an application the Board shall issue a Vending Permit for the Vending Operation. Each permit shall contain the name and address of the person responsible for the Vending Operation, his or her permit number and a non-removable photograph of the permittee.
- (g) Expiration and Renewal. Unless earlier revoked, Vending Permits issued pursuant to the provisions of this section shall expire three years following the date upon which each such permit is granted. Such permits may thereafter be renewed annually upon the payment of the fee hereinafter prescribed. Applications for renewal shall be made at least 30 days prior to the expiration of any permit issued, and must be accompanied by a permit renewal fee as set forth below. Applications for permit renewals and payments must be either presented in person to the Bureau of Street Services, via the Internet (if available), or mailed via certified mail, postmarked no later than 30 days prior to the date of permit expiration. Failure to renew an existing Vending Permit before its expiration will require the payment of a late renewal penalty as set forth below.
- (h) Fees. Subject to the requirements set forth in subparts (i) – (vii), below, the Board shall establish all fees, in accordance with the level of enforcement deemed appropriate by the Bureau, and shall only be used to defray the total expenses of operation of the street vending program including: permitting, administration, and enforcement, required by this Section. The Initial Permit Fee, the Renewal Permit Fee, and Late Renewal Penalty Fee shall be determined and adopted from time to time by the Board. In determining the appropriate fee, the Board shall:
 - (i) Waive or set a lower initial permit fee and renewal fee for approved Healthy Food Cart vendors.
 - (ii) Waive or set a lower initial permit fee and renewal fee for Veterans.
 - \$750* (iii) Limit the initial permit fee for Class A Permits to no more than seven-hundred fifty dollars (\$750), payable in annual installments of two-hundred fifty dollars (\$250).
 - \$525* (iv) Limit the initial permit fee for Class B Permits to no more than five-hundred twenty five dollars (\$525), payable in annual installments of one-hundred seventy five dollars (\$175).
 - \$300* (v) Limit the initial permit fee for Class C Permits to no more than three hundred dollars (\$300), payable in annual installments of one hundred dollars (\$100).

- (vi) Provide for fee waivers in special circumstances as to be determined by the Board.
- (vii) Limit any annual increase in the fee amount to 1%.
- (i) Complete Applications. Upon making a determination that the application is complete and the applicant has satisfied all requirements, the Board shall issue a Vending Permit for the Vending Operation.
- (j) Reconsideration. Any person whose request for a permit is denied for any reason is entitled to a written explanation of why the Vending Permit was denied. The applicant shall have an opportunity to correct any deficiencies in the application and resubmit for reconsideration. If the Board determines that the revised application is complete, a Vending Permit shall be issued to the applicant.
- (k) Conditions of Approval. Through the issuance of a Vending Permit, the Board may place reasonable conditions and restrictions on the Vending Operation in furtherance of the public welfare.
- (l) Identification and Permit Plates. For Class A and Class B Permits, the Board shall issue a plate or sticker containing the Vending Permit number, the unique identification number assigned to the particular Food Cart or Stand, a telephone number or postal box number where the owner may be reached, and whether the Permit is for a Healthy Food Cart. Said plate or sticker must be affixed to the Vending Operation that is authorized under the Vending Permit, in a place which is clearly visible to the public. Any Vendor who has obtained a Class C Vending Permit shall be required to carry a valid Vending Permit on his or her person while engaged in the business of vending.

(4) Insurance

- (a) Requirement-Content. As a condition of the Board issuing a Vending Permit in the public right-of-way, the owner of the Vending Operation shall be required to maintain a policy of general liability insurance, naming the City of Los Angeles, the Board of Public Works and its employees, agents etc. as "Additional Insureds" for the specific purpose of indemnifying and holding harmless the City of Los Angeles, its officers, boards, employees, etc. from and against any and all losses, costs, damages, expenses, or liability, whatsoever, which may result from or arise out of the granting of a permit. The policy of insurance shall be maintained in its original amount by the permittee at permittee's expense at all times during the period for which the permittee holds a valid permit or permits. Should said policy be called upon to satisfy any liability for damages covered by said policy, the policy must be of such a nature that the original amount of coverage is restored after any payment of damages by the policy. Where a Vending Operation owns and operates more than one Food Cart or Stand, the owner shall only be required to maintain a single policy of insurance covering all Food Carts or Stands owned in the amount set forth below.
- (b) Required Limits of Liability. The Board shall be responsible, from time to time, for adopting the limits of liability insurance required to be maintained by owners of Vending Operations under this section. The Board shall receive a

recommendation from the City's Risk Manager prior to setting the limits of liability insurance.

- (c) The policy must include coverage for Vendors who are not the owner of the Vending Operation and the owner of the Vending Operation is fully responsible for the acts or omissions of any Vendor who vends for or on behalf of the owner's Vending Operation, regardless of whether the Vendor is an employee, agent, or independent contractor of the Vending Operation.
- (d) Group policies shall be permitted under this section.

(5) Unlawful Obstructions. No person shall maintain a Vending Operation:

- (a) In such a way that would restrict or interfere with the ingress or egress of the abutting owner or tenant or to create or become a nuisance, or constitute a hazard to traffic, life or property, or an obstruction to adequate access to fire, police, or sanitation vehicles.
- (b) Where placement impedes the flow of pedestrian traffic by reducing the clear space to less than 5 feet or, impedes access to or the use of abutting property, including, but not limited to, residences and places of business.
- (c) Immediately in front of buildings, houses, structures, or public stairs such that it causes a violation of ADA guidelines for pedestrian passage.
- (d) On any part of the public right-of-way that is improved with lawn, flowers, shrubs, trees, other plants or decorative landscaping.
- (e) On the roadway portion of any street, except that Vending shall be permitted within a People St Plaza or other areas reserved exclusively for pedestrian use.
- (f) On medians of divided highways, unless such median is intended as a pedestrian walkway.
- (g) Within ten feet of a fire hydrant.
- (h) Within twenty feet of any hospital or emergency room entrance.
- (i) Where exigent circumstances exist and a police officer or other authorized officer or employee of the city gives notice to a Vendor to temporarily move from a location such Vendor shall not Vend from such location. For the purpose of this subsection, exigent circumstances shall include but not be limited to, unusually heavy pedestrian or vehicular traffic, existence of any obstructions in the public space at or near such location, an accident, fire or other emergency situation at or near such location, or a parade, demonstration, or other such event or occurrence at or near such location.

(6) Healthy Food Cart Program. The Los Angeles street vending program promotes access to healthy and affordable foods in our communities and encourages the sale of locally grown fruits and vegetables consistent with the goals of the Good Food for All Agenda. The following shall apply only to vendors with a Class A Permit, who operate a Healthy Food Cart as defined in subsection (1) of this Section 42.00.2.

- (a) The Board shall waive or set a lower permit fee for Healthy Food Carts.
- (b) The Board shall waive or set a lower renewal fee for Healthy Food Carts.

- (c) The City shall reserve [30]% of available funds in the Street Vending Program Trust Fund to be allocated and expended exclusively to provide technical and financial assistance to Healthy Food Carts.
- (d) As a condition of approval for a street closure that includes subsidy or sponsorship by the City or for any private event held on city-owned property, and at any event in which the City contracts with food vendors to vend food, the City shall require that at least 10% of the stands or booths at which food will be sold shall be made available for Healthy Food Carts at no cost to the vendor. The City shall create and maintain a database of Healthy Food Vending Operations that are interested in vending opportunities at City-sponsored events, and shall publicize opportunities for Healthy Food Vending at City-sponsored events. This provision shall not apply to Catering Trucks as defined in Section 80.73(b) of this Code or any public event in which fewer than five stands or booths will be available.
- (e) Healthy Food Carts shall be permitted in areas not accessible to other Food Carts as described in Subsection (7) below.

(7) Exclusive Healthy Food Vending Areas. No Vending Operation shall vend any food, goods or merchandise in the following locations:

- (a) Except for Healthy Food Carts, within 500 feet of any school during school hours.
- (b) Except for Healthy Food Carts, within 100 feet of City Hall.
- (c) Except for Healthy Food Carts, directly in front of hospitals and medical clinics.
- (d) Except for Healthy Food Carts, within 20 feet of designated Healthy Food Corners, which shall be the following intersections located in areas of the City that lack sufficient healthy food retail options:
 - (i) [TBD]
 - (ii) [TBD]
 - (iii) [TBD]
 - (iv) [TBD]
 - (v) [TBD]

(8) Appearance of Vending Operations

- (a) Class A and Class B Vending Operations shall provide a trash receptacle for the use of customers and Vendors shall pick up and dispose of any trash or litter left by customers before leaving the vending location. Full receptacles shall be immediately emptied by the Vendor.
- (b) The City Vending Permit plate or sticker and any designated Healthy Food Cart plate issued pursuant to Subpart (I) of Subsection (3) of this Section shall be permanently affixed and conspicuously displayed on the Vending Operation in a way that is clearly visible to the public.
- (c) Any Vending Operation that sells food, including Class A and Class C permits, shall comply with all equipment certification requirements of the California Food Retail Code.

- (d) Class B Vending Operations shall have a length of no greater than 8 feet and a width of no greater than 4 feet.
- (e) No Vending Operation shall be used for offsite advertising or publicity purposes. External lettering shall be limited to:
 - (i) Vendor's name or fictitious business name, including address and phone number of the principal.
 - (ii) Menu items sold by the Vendor and prices.
 - (iii) Photos of items sold by the Vendor.
 - (iv) The Vending Permit plate issued pursuant to Subpart (I) of Subsection (3) of this Section, including a designated Healthy Food Cart plate, if applicable.

(9) Unpermitted Use.

- (a) It shall be unlawful for any individual to Vend on a public right-of-way without having first obtained a Vending Permit from the Board in accordance with the provisions of this Section 42.00.2, unless said individual Vends for or on behalf of a Vending Operation that maintains a valid Vending Permit.
- (b) It shall be unlawful for any Vendor to Vend Food or operate a Food Cart without a valid Public Health Permit issued by the Los Angeles County Health Department.

(10) Suspension of Permit.

- (a) The Division may suspend any permit issued pursuant to this section for any of the following reasons.
 - (i) Falsehood of any information supplied by the permittee upon which issuance of the permit was based.
 - (ii) Citation on four (4) or more occasions within a 12 month period for violations of the regulations set forth in this Section.
 - (iii) Citation on four (4) or more occasions within a 12 month period for violations of the applicable requirements of the California Retail Food Code.
- (b) The permit holder shall be notified in writing when a permit has been suspended. Such notice shall contain the grounds upon which the suspension is based and the right to seek an appeal of the suspension under this Code. If no appeal is filed, suspension of the permit shall become effective twenty-one (21) days after notice is served. If an appeal is filed, the suspension or revocation shall become effective upon final determination by the Board.
- (c) Any person whose permit is suspended shall not be eligible to Vend or operate any Vending Operation for a period of six months.

(11) Compliance and Penalties: The provisions of this section shall be enforced by the Investigation and Enforcement Division of the Bureau of Street Services of the Department of Public Works.

- (a) The Division may issue an order to immediately cease and desist from any violation of this section or any rule or regulation of the Board.
- (b) No person shall be subject to a misdemeanor for any violation of LAMC Section 42.00.2, except that the vending of any item in violation of the restrictions or prohibitions of any other applicable law shall be subject to any applicable criminal penalties as set forth in the Penal Code.
- (c) Upon the first occasion in which a Vendor is found to be in violation of this section a Vendor shall be informed of the nature of the violation(s) and issued a warning.
- (d) Upon a second occasion in which a Vendor is found to be in violation of this section, occurring within one year of the first occasion, the Division shall issue a notice of violation that identifies the condition(s) or activities that constitutes the violation(s) and specifies that a penalty may be imposed unless compliance is achieved within 6 months. If the Vendor corrects the violation(s) and demonstrates that compliance has been achieved within 6 months, the Division shall not impose a fine or citation. If the Vendor does not correct the violation(s) within 6 months, the Vendor may be issued an infraction and subject to a fine not to exceed \$150. Vendors experiencing financial hardship due to compliance with this provision may request in writing that the Board approve an extension of the time to come into compliance.
- (e) Upon a third occasion in which a Vendor is found to be in violation of this section, occurring within one year of the first occasion, any violation shall be an infraction, subject to a fine not to exceed \$150 if no fines were imposed on the second occasion pursuant to LAMC 42.00.2(11)(d), or a fine not to exceed \$250 if any fine was imposed on the second occasion.
- (f) Upon a fourth and any subsequent occasion in which a Vendor is found to be in violation of this section occurring within one year of the first occasion, a violation shall be an infraction, subject to a fine not to exceed \$250, and subject to suspension of the permit for a period of six months.

(12) Education and Technical Assistance:

- (a) The Department shall conduct a public education and notification program to ensure a high degree of publicity of the provisions of this section.
- (b) As part of the public education and notification program described in this section, the Department shall, in partnership with community based organizations, provide no fewer than four seminars during the first 12-month period after the effective date of this ordinance to educate Vendors about the requirements of this section and assist Vendors with compliance. Seminars shall be held at a time and place that is convenient and accessible to Vendors, with appropriate language assistance services.

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- (c) Pursuant to Article 28 of Chapter 5 of the Los Angeles Administrative Code, the Economic and Workforce Development Department shall administer and expend funds from the Street Vending Program Trust Fund to assist community based organizations to provide technical assistance, education, financial support and other capacity building services to Vendors. No less than 30% of the Street Vending Program Trust Fund shall be allocated and expended exclusively to provide technical and financial assistance to Healthy Food Carts.
 - (d) The Economic and Workforce Development Department shall partner with the Los Angeles County Health Department to explore opportunities to coordinate the permit application process and to establish microbusiness programs to assist Vendors in achieving compliance with City, County and State requirements.

(13) Grace Period

- (a) A Grace Period shall follow the effective date of this ordinance to accommodate a period of public education.
- (b) All Vending Operations shall be brought into compliance with all provisions of this Section within one year of its effective date, unless the City's implementation schedule takes longer than 12 months, in which case the Grace Period shall be extended based on the City's implementation schedule.
- (c) Vendors experiencing financial hardship due to compliance with LAMC section 42.00.2 may request the Board to approve one 6-month extension for the payment of fees pursuant to this section.
- (d) During the Grace Period, Vendors not in compliance with the provisions of subsections (3), (4) and (9) of this Section may be referred to an educational seminar described in subsection (12), but in no event shall noncompliance with subsections (3), (4) and (9) of this Section be subject to a fine or citation from the Division or any other City law enforcement agency during the Grace Period.
- (e) Any vending operation not in compliance with subsections (3), (4) and (9) of this Section after the Grace Period ends shall be deemed to be in violation of LAMC 42.00.2 and subject to the penalties described in subsection (11) of this Section.
- (f) Notwithstanding the Grace Period in which no vendor shall be cited for violation of subsections (3), (4) and (9) of this Section, all violations of subsections (5) to (8) of this Section shall be subject to the penalties described in subsection (11) of this Section beginning on the effective date of this ordinance.

- (14) Severability:** If any section or subsection of this ordinance is deemed to be void or unenforceable, such shall be severed from the whole and the remaining portions of the ordinance shall remain in full force and effect.

Section 2. A new Article 28 is added to Chapter 5 of Division 5 of the Los Angeles Administrative Code to read as follows:

CHAPTER 5, ARTICLE 28

LOS ANGELES STREET VENDING PROGRAM TRUST FUND

Sec. 5.115.12. Creation and Administrative of the Fund.

- (a) There is hereby created and established in the Treasury of the City of Los Angeles a special fund to be known as the **"Street Vending Program Trust Fund." (Fund)**.
- (b) The purpose of the Fund shall be the receipt, retention and disbursement of funds, including an initial contribution of \$[xxxxxx] from [], received by the Economic and Workforce Development Department (EWDD) for staffing, training, education, outreach, administration, creation and implementation of programs for technical assistance, education, and lending to support Street Vendors, including Healthy Food Vending Operations. The Fund shall also be used for the disbursement of monies transferred into the Fund by the City Council.
- (c) No less than 30% of the Street Vending Program Trust Fund shall be allocated and expended exclusively to provide technical and financial assistance to Healthy Food Carts.
- (d) The Fund shall be administered by the Director of the Economic and Workforce Development Department (Director), or his or her successor and/or designee(s), in partnership with a "Street Vendor Taskforce," consisting of city personnel, nonprofit leaders, and street vendors.
- (e) Disbursement of funds requires the approval of the Director, or his or her designee(s), after consultation, where necessary, with the Los Angeles Board of Public Works and the Los Angeles Bureau of Street Services and the Street Vendor Task Force.
- (f) The Director is authorized to establish procedures to carry out the provisions of this Article.
- (g) Monies not expended from the Fund at the close of any fiscal year shall not revert to the Reserve Fund, but shall remain in the Fund.
- (h) All interest and other earnings attributable to monies in the Fund or to any of the separate accounts within the Fund shall be credited to the Fund or to the account to which it is attributable and shall be devoted to the purposes of the Fund.
- (i) The Director shall maintain appropriate accounting records of the actual costs of the services rendered pursuant to the Fund. The Director shall report to the City Council regarding and identifying all receipts into, and all expenditures out of, the Fund as well as the purpose for which the expenditures were made. Each report shall cover a fiscal year and shall be submitted within 90 days after the close of that fiscal year.